

SETTLEMENT AGREEMENT

Plaintiff Fair Political Practices Commission (“the Commission”) and Defendant Morongo Band of Mission Indians (“the Tribe”) enter into this agreement to resolve all factual and legal issues pertaining to a civil complaint filed by the Commission and alleging a violation of the California Political Reform Act. It is agreed by and between the parties as follows:

1. The Commission and the Tribe agree to enter into this agreement to resolve all factual and legal issues raised in this matter, and to reach a final disposition without the necessity of holding a civil trial to determine liability.
2. This agreement pertains to a disputed claim and is made for the convenience of the parties hereto in order to avoid the expense of further litigation.
3. The Tribe understands and hereby knowingly and voluntarily waives any and all procedural rights that it could have exercised if this settlement had not been entered into, including but not limited to their right to civil discovery, to appear personally at any civil trial held in this matter, to confront and cross-examine witnesses testifying at a civil trial, to present evidence, including the testimony of witnesses, to have the trial presided over by an impartial judge and heard and decided by a jury, and the right to appellate review.

I. STIPULATED STATEMENT OF LAW AND FACTS

A. THE PARTIES

4. Plaintiff Fair Political Practices Commission is a state agency created by the Political Reform Act (“Act”). The Commission has primary responsibility for the impartial, effective administration and implementation of the Act. (Gov. Code § 83111.) Pursuant to Government Code section 91001, subdivision (b), the Commission is the civil prosecutor for matters involving state committees and state election campaigns, and is

authorized to maintain this action under Government Code sections 91001, subdivision (b), and 91004.

5. The Morongo Band of Mission Indians is a federally-recognized Indian tribe, exercising jurisdiction over the Morongo Indian Reservation in Riverside County, California.

B. SUMMARY OF THE LAW

6. An express purpose of the Act, as set forth in Government Code section 81002, subdivision (a), is to ensure that the contributions and expenditures affecting election campaigns are fully and truthfully disclosed to the public, so that voters may be better informed, and so that improper practices will be inhibited.

7. In furtherance of this purpose of disclosure, the Act sets forth a comprehensive campaign reporting system. (Gov. Code § 84200 et seq.)

8. Under the Act, a “contribution” includes a loan made to a political committee or candidate. (Gov. Code sections 82015 and 82044.)

9. Government Code section 82036 defines a “late contribution” as a contribution aggregating \$1,000 or more that is received before an election, but after the closing date of the last pre-election statement that is required to be filed.

10. Under Government Code section 84200.8, the late contribution reporting period, prior to any election not held in June or November of an even-numbered year, is the last 16 days before the election. The late contribution reporting period for the March 7, 2000 primary election was from February 20, 2000 through March 6, 2000, inclusive.

11. Pursuant to Government Code section 84203, subdivision (a), when a major donor committee makes a late contribution, the major donor committee must file a late contribution report with the Secretary of State within 24 hours of making the contribution, disclosing the contribution.

C. SUMMARY OF THE FACTS

12. Between January 1, 2000 and June 30, 2000, Defendant Morongo Band of Mission Indians made contributions totaling at least \$10,000 to one or more California political committees. Therefore, the Tribe qualified as a major donor committee under Government Code section 82013, subdivision (c) for calendar year 2000.

13. Pursuant to Government Code section 84203, subdivision (a), when a major donor committee makes a late contribution, the major donor committee must file a late contribution report with the Secretary of State within 24 hours of making the contribution, disclosing the contribution.

14. The Yes on Proposition 1A Committee was, at all times relevant herein, a state ballot measure committee, primarily formed to support the passage of Proposition 1A in the March 7, 2000 primary election.

15. On February 29, 2000, the Tribe made a late contribution of \$500,000.00, in the form of a loan, from the Morongo Band of Mission Indians-Native American Rights Fund, to the Yes On Proposition 1A Committee.

16. The Yes On Proposition 1A Committee disclosed the contribution within 24 hours as required by law.

17. Government Code section 84203, subdivision (a) required that the \$500,000.00 contribution also be disclosed by the Tribe in a late contribution report filed with the Secretary of State no later than March 1, 2000. Defendant Morongo Band of Mission Indians did not disclose the \$500,000.00 contribution in a late contribution report filed with the Secretary of State by the March 1, 2000, deadline.

18. The Tribe had retained an outside political reports specialist to comply with the Political Reform Act. Without the Tribe's knowledge or consent, that specialist failed to report the loan until July 31, 2000.

II. AGREEMENT

19. The Tribe agrees to pay a civil fine in the sum of \$25,000 and agrees to continue its practice of timely reporting its campaign contributions in the manner and at the times specified in the Political Reform Act.

20. The FPPC's civil complaint against the Tribe shall be dismissed with prejudice.

21. Each party shall bear its own attorneys' fees and costs.

IT IS SO AGREED.

DATED: January 8, 2003

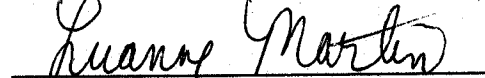
FAIR POLITICAL PRACTICES
COMMISSION



By: MARK KRAUSSE
Executive Director

DATED: January 7, 2003

MORONGO BAND OF MISSION
INDIANS



By: LUANNE MARTIN
Tribal Council Vice Chair

DATED: January 7, 2003



By: STEVEN G. CHURCHWELL
Special Counsel